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**Council President Lynn Peterson**

April 29, 2019

Sen. Arnie Roblan, Co-Chair  
Rep. Barbara Smith Warner, Co-Chair  
Joint Committee on Student Success  
Oregon State Capitol  
Salem, OR 97301

Sen. Roblan, Rep. Smith Warner, and Members of the Committee:

On behalf of the Metro Council, I am writing to urge you to remove Sec. 67 from the -30 amendment to HB 3427. This section pre-empts the authority of local governments to impose a tax on commercial activity or grocery sales.

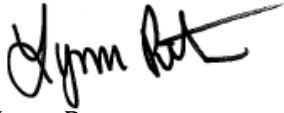
As you may know, Metro has recently convened a conversation among a large group of stakeholders, including representatives of the business community, about the need to propose a substantial multimodal transportation funding measure to the voters of the greater Portland metropolitan region in 2020. This measure would build upon the package passed by the Legislature in 2017. To adequately address the various congestion and mobility issues in our region while ensuring that the burden of doing so will be equitably shared, we anticipate a package that consists of a number of different funding mechanisms. While our engagement with the larger business community remains in its early stages and no decisions will be made for some time, we are currently evaluating a range of taxes and fees, including business taxes of various types. There is no good time for the Legislature to take financial tools away from local communities, but now is an especially inopportune time to do so.

More broadly, Oregon communities have a range of needs that can never be fully met by action at the state level. Certainly that is true for the large and complex region that Metro serves – a region whose economic success is critical to the entire state. From infrastructure investments that support economic development, to affordable housing, to environmental protection and a host of other issues, Metro and our local government partners face very specific challenges. These challenges often require creative solutions, and to implement these solutions, we need funding options that are calibrated to address our residents' needs. When funding mechanisms are taken off the table, as has happened several times in recent years, we are unable to appropriately respond to the concerns of our communities.

We applaud your larger efforts to support education in Oregon so that our students can succeed and build a brighter future for our state, and understand the challenge you face in providing stable funding for Oregon schools. We urge you to respond to this challenge without undermining the ability of your counterparts at the local and regional levels to address other needs in communities across the state.

The Metro Council requests that you remove Sec. 67 from the -30 amendment to HB 3427.

Respectfully,

A handwritten signature in black ink, appearing to read "Lynn Peterson", with a long horizontal stroke extending to the right.

Lynn Peterson  
Metro Council President